



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

2 Coral Circle • Monterey Park, CA 91755

323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

**AGENDA
FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION
WEDNESDAY, SEPTEMBER 26, 2012
12:00 PM
CDC HEADQUARTERS
2 S. CORAL CIRCLE
MONTEREY PARK, CA 91755
(323) 890-7001**

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1. Call to Order

2. Roll Call

Henry Porter Jr., Chair
Val Lerch, Vice Chair
Hope Boonshaft
James Brooks
Alma Cibrian
Zella Knight

3. Reading and Approval of the Minutes of the Previous Meeting

Regular Meeting of July 25, 2012

Regular Meeting of August 22, 2012 - CANCELLED

4. Report of the Executive Director

5. Presentation

Smoke Free Housing



6. Public Comments

The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.

Regular Agenda

7. Recommend the Approval of Health (All Districts)

Recommend that the Board of Commissioners approve the combined payment, with the Community Development Commission, of the employer-paid medical subsidy for the 2013 calendar year to Health Net and Kaiser, at an estimated cost not to exceed \$500,000; authorize the Housing Authority to fund all Calendar Year 2013 health plan costs using funds included in the approved Fiscal Year 2012-13 budget and funds to be approved through the annual budget process for Fiscal Year 2013-14, as needed; find that approval of the employee health plans for the 2013 calendar year is not subject to the provisions of the California Environmental Quality Act (CEQA) because the activities are not defined as a project under CEQA. (APPROVE)

8. Approve the Award of Job Order Contracts (JOC) and Approve a Construction Task Catalog (All Districts)

Recommend that the Board of Commissioners find that the award of the JOCs and adoption of the Construction Task Catalog are exempt from the provisions of the California Environmental Quality Act (CEQA), for the reasons stated in this letter and in the record of the project; award and authorize the Executive Director or his designee to execute two separate JOCs, work orders and all related documents, including any amendments thereto; the first, with Torres Construction Corp., the lowest responsive and responsible bidder qualified as a Section 3 Business Concern; and the second, with Mackone Development, Inc., the lowest responsive and responsible bidder; each JOC is for an amount not to exceed \$4,200,000, to provide maintenance, repair, refurbishment, rehabilitation, retrofit and other repetitive-type work for Housing Authority developments on an as-needed basis, using various program funds allocated by the U.S. Department of Housing and Urban Development (HUD); adopt the March 2012 JOC Construction Task Catalog; authorize the Executive Director or his designee, if necessary, to terminate either JOC or to terminate the Contractor's right to proceed with the performance of either JOC. (APPROVE)

9. **Approve the Amendment to the Indemnification Clause of a Contract with TALX Corporation for Electronic Employment Verification Services for the Housing Choice Voucher Program (All Districts)**

Recommend that the Board of Commissioners approve and authorize the inclusion of a mutual indemnification provision in the Housing Authority's contract with TALX Corporation, in the amount of \$60,000 per year, for electronic employment verification services for the Housing Choice Voucher Program. (APPROVE)

10. **Housing Commissioners may provide comments or suggestions for future Agenda items.**

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 2 Coral Circle in the City of Monterey Park. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 890-7424, or by e-mail at donna.delvalle@lacdc.org, from 8:00 a.m. to 5:00 p.m., Monday through Friday.

THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES
MINUTES FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday, July 25, 2012

The meeting was convened at the Housing Authority, 12131 Telegraph Rd., Santa Fe Springs, CA

Digest of the meeting. The Minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Chair Henry Porter at 12:04 p.m.

<u>ROLL CALL</u>	<u>Present</u>	<u>Absent</u>
Henry Porter, Chair	X	
Val Lerch, Vice Chair	X	
Zella Knight	X	
Hope Boonshaft		X
Alma Cibrian	X	

PARTIAL LIST OF STAFF PRESENT:

Sean Rogan, Executive Director
Emilio Salas, Deputy Executive Director
Bobbette Glover, Assistant Executive Director
Margarita Lares, Director, Assisted Housing
Arlene Black, Area Manager, Housing Management

GUESTS PRESENT:

No guest present

Reading and Approval of the Minutes of the Previous Meeting

On Motion by Commissioner Knight, seconded by Commissioner Lerch, the Minutes of the Regular Meeting of June 27, 2012 were approved.

Agenda Item No. 4 – Report of the Executive Director

Deputy Executive Director Emilio Salas reported the following:

Emilio Salas reported to the Commissioners that we received notification of an upcoming REAC Inspection of our housing developments that will be conducted by HUD. The inspections are part of the physical assessment of the properties and count as part of our annual housing scores. We continue to provide feedback to HUD regarding how to improve the inspections to assist with the inspections to other Housing Authorities across the country.

Emilio Salas stated that he will be attending as well as presenting at a national NAHRO conference in San Francisco. He will be making a presentation titled "Measuring Outcomes Not Outputs". This topic is to describe how housing authorities have a positive impact on their communities and how this is utilized by HUD for both Section 8 and Public Housing. We will be highlighting the great work that has been done throughout our housing developments.

Emilio Salas informed the Commissioners that in the recent week a resident at our Orchard Arms Housing Development committed suicide in an orchard behind the residential complex. Counseling has been provided to staff and to the residents in light of the incident. The victim was recently diagnosed with cancer.

Emilio Salas stated that we are currently in the 1st month of the new fiscal year. We anticipate and are currently on track to receive "High Performer" status for our Section 8 and Public Housing. This is still subject to the outcome of REAC and other internal indicators that we certify. We are confident that we will be able to obtain "High Performer" status for the second year.

Emilio Salas informed the Commissioners that we have heard word from 5th District that a Housing Commissioner will be appointed in the next few weeks and we hope to have the appointee in place for our next Housing Commission meeting. We have narrowed down the applications for the vacant Tenant Commissioner positions and will continue the outreach and arrange interviews.

Emilio Salas updated the Commission that at our last meeting Commissioner Knight inquired about our resident surveys and how we go about conducting the surveys. A presentation was provided as well as a handout to the Commissioners on the history and the process implemented on how the surveys are conducted (information on file).

Agenda Item No. 5 - Public Comments

None

Regular Agenda

On Motion by Commissioner Knight seconded by Commissioner Cibrian and unanimously carried, the following was approved by the Housing Commission:

CONCUR TO APPROVE REVISED SEAL FOR THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES (ALL DISTRICTS)

1. Recommend that the Board of Commissioners concur with the Board of Commissioners' approval and adoption of a revised seal for the Housing Authority.

On Motion by Commissioner Knight seconded by Commissioner Lerch and unanimously carried, the following was approved by the Housing Commission:

APPROVE THE MASTER SERVICES AGREEMENT BETWEEN THE COUNTY AND THE HOUSING AUTHORITY FOR SPECIAL SERVICES (ALL DISTRICTS)

1. Recommend that the Board of Commissioners approve and instruct the Executive Director or his designee to execute the revised Master Services Agreement between the County and the Housing Authority.
2. Recommend that the Board of Commissioners authorize the executive Director or his designee to execute future amendments to the Master Services Agreement, upon agreement by both parties, approval as to form by County Counsel, and advance notification to the Board.

Agenda Item No. 8 – Housing Commissioner Comments and Recommendations for Future Agenda Items

Commissioner Cibrian thanked staff for their work.

Commissioner Lerch thanked staff for their work.

Commissioner Knight thanked staff for the Resident Satisfaction Survey models that were presented.

Commissioner Porter thanked staff for the Quarterly Highlights that have been distributed to the Commissioners. He also asked if the Housing Authority had any kind of volunteer corps that can assist at our housing developments.

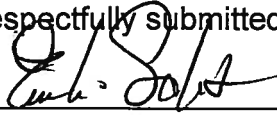
Sean Rogan, Executive Director replied that we have several volunteer events and internship programs throughout the year.

Commissioner Lerch stated that he is involved with an Eagle Scout Troop in the city of Long Beach and informed staff that the troop is looking for volunteer opportunities.

Emilio Salas, Deputy Executive Director responded that we will give the information to our Housing Management division for follow up on any volunteer opportunities.

On Motion by Commissioner Porter the Regular Meeting of July 25, 2012, was adjourned at 12:41 pm.

Respectfully submitted,


for SEAN ROGAN
Executive Director
Secretary –Treasurer

Housing Authority - County of Los Angeles

August 22, 2012

TO: Housing Commissioners

FROM:  Margarita Lares, Director, Assisted Housing Division 

RE: **HCV FSS PROGRAM UPDATE - JULY 2012**

The Family Self-Sufficiency (FSS) Program is a HUD initiative intended to assist Housing Choice Voucher Program Participants achieve economic independence and self-sufficiency.

Activities

NUMBER CURRENTLY ENROLLED	544	As of July 1, 2012
NEW ENROLLMENTS	18	FSS Participants Enrolled
CONTRACTS EXPIRED	18	FSS Contracts Expired
WORKSHOP REFERRALS	142 111	WorkSource Center employment workshops and job fairs Home Ownership Program & Home Ownership Seminars (HOP program & Palmdale HOP)
DIRECT ASSISTANCE REFERRALS	143 1 5 58 49 45 116 27	Job referrals from the employment network job board DPSS for Utilities payment/rental assistance The Info-line for assistance in locating social services Financial Literacy Transportation Assistance Individual Deposit Accounts (Citibank) Other Educational & Social Service Referrals Disseminated Credit Repair/Budget Informational Packets
NETWORK MEETINGS	1 1 3 1 1 1	Southeast Area Social Service Funding Authority Partnership Community Service Providers Financial Literacy Boot camp Lancaster One-Stop Center DCFS - Building Community Partners Northeast San Gabriel Valley WorkSource Meeting
GRADUATIONS	3	Pending Graduations

If you have any questions, please feel free to contact me at (562) 347-4837.

ML:MP:WB:dt

Attachment

Housing Authority - County of Los Angeles

September 25, 2012

TO: Housing Commissioners

FROM: Margarita Lares, Director, Assisted Housing Division 

RE: **HCV FSS PROGRAM UPDATE - AUGUST 2012**

The Family Self-Sufficiency (FSS) Program is a HUD initiative intended to assist Housing Choice Voucher Program Participants achieve economic independence and self-sufficiency.

Activities

NUMBER CURRENTLY ENROLLED	556	Enrolled as of August 1, 2012
NEW ENROLLMENTS	21	FSS Participants Enrolled
CONTRACTS EXPIRED	7	FSS Contracts Expired
WORKSHOP REFERRALS	171 125	WorkSource Center employment workshops and job fairs Home Ownership Program & Home Ownership Seminars (HOP program & Palmdale HOP)
DIRECT ASSISTANCE REFERRALS	175 2 83 187 8 20 116 5 11 3 47	Job referrals from the employment network job board Food Service Assistance Social Services Referrals Financial Literacy Transportation Assistance Individual Deposit Accounts Other Educational & Social Service Referrals Low Cost Auto Insurance Workshop United We Mentor Workshop Info Line for Utility/Move-in Assistance Credit Repair/Budget Informational Packets
NETWORK MEETINGS	1 1 1 1 1	Best Start Partnership Meeting Ross/FSS training at HUD Office Carmelitos Public Housing Back to School Jam SPA 7 Community Partnership Meeting Maravilla Public Housing Back to School Jam
GRADUATIONS	0	Pending Graduations

If you have any questions, please feel free to contact me at (562) 347-4837.

ML:MP:WB:dt

Attachment

FAMILY SELF-SUFFICIENCY (FSS) REPORT SUPPLEMENT

Listed below are descriptions of frequently used language in the monthly FSS Report.

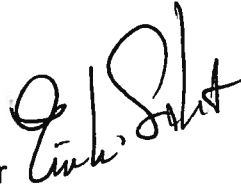
1. **SASSFA**-Acronym for Southeast Area Social Services Funding Authority. They oversee all the funding for Worksource Centers, who provide job training, job placement, and skill assessment. We have a partnership with them, which in turn benefits our clients by providing services that we would not be able to provide on our own. There are about 75 Worksource Centers located in Southern California.
2. **The Employment Network Job Board** is located in the Family Self-Sufficiency department of the Assisted Housing Division located at 12131 Telegraph Road, Santa Fe Springs, CA and is a compilation of job leads, job requests and training information supplied by our various partnered agencies and is updated on a bi-weekly basis. The network board may also include referrals to other types of services, such as job fairs, resume preparation or social services. All these resources are shared with FSS participants.
3. **Emergency Transportation Assistance** refers to bus tokens issued by FSS staff to FSS participants who are having short term transportation problems. This would include those who have started a new job and need transportation assistance until they receive a pay check; those who need assistance in order to get to a job interview; those who are starting school and may not have been able to make arrangements to carpool prior to enrollment; those who have had a temporary transportation emergency, such as a automobile accident or auto break down. Part of this assistance may also include referrals to other agencies which may have bus tokens or passes available.

Housing Authority - County of Los Angeles

August 22, 2012

TO: Housing Commissioners

FROM: Emilio Salas, Deputy Executive Director



SUBJECT: STATUS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA) HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) is a collaborative effort among the Community Development Commission-Community Development Block Grant Division (CDC-CDBG), the County's Chief Executive Office, implementing County Departments, local Non-Profit Organizations, and the Los Angeles Homeless Services Authority (LAHSA).

Actions since the last report include the following:

- As of August 9, 2012, \$12,193,985.62 (99.97%) of the \$12,197,108.00 budget has been expended.
- CDC-CDBG Division staff is finalizing an executive summary report of HPRP accomplishments for placement on the Los Angeles Housing Resource Center website.
- We will be closing out this grant on September 30, 2012.

TG:AC:ec

H:TG\ARRA\Status Reports to Terry\ARRA Status Report For HPRP (As of August 2012).docx

Housing Authority - County of Los Angeles

September 26, 2012

TO: Housing Commissioners

FROM: Emilio Salas, Deputy Executive Director



SUBJECT: STATUS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA) HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) is a collaborative effort among the Community Development Commission-Community Development Block Grant Division (CDC-CDBG), the County's Chief Executive Office, implementing County Departments, local Non-Profit Organizations, and the Los Angeles Homeless Services Authority (LAHSA).

Actions since the last report include the following:

- As of September 13, 2012, 100% of the allocated budget (\$12,197,108) has been expended.
- The HPRP won a SPECIAL MERIT PLAQUE from the County's Quality and Productivity Commission! The Special Merit Awards recognize meritorious accomplishment of special projects or programs that successfully fulfill departmental and County objectives.

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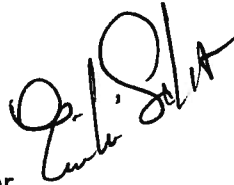
H: TG\ARRA\ARRA Status Report For HPRP (As of September 2012)

Housing Authority - County of Los Angeles

August 22, 2012

TO: Housing Commissioners

FROM: Emilio Salas, Deputy Executive Director



SUBJECT: STATUS OF THE COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY (CDBG-R) PROGRAM, FUNDED BY THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA)

The Community Development Block Grant (CDBG) Division continued to closely monitor the few remaining CDBG-R subrecipients that still had undisbursed funds, to ensure timely submittal of their final *Funding Request* by mid-August 2012 (the end of the grant financial closeout period). Only the Energy Efficient Single Family Rehabilitation Grant Program, administered by the Community Development Commission's Economic and Housing Development Division (EHD), remains open, and it is anticipated that EHD will expend all funds before their contract end date (September 15, 2012).

Throughout August 2012, we will continue with our grant closeout work. This will include closing out contracts for the remaining eight (8) agencies that have not submitted final *Funding Requests*, recapturing any funds that these agencies do not claim by the end of the financial closeout period, and reallocating these funds to the aforementioned EHD project.

As of August 9, 2012, we have accomplished the following:

- Of the total \$8,109,414.86 under contract, \$7,870,931.76 (97.04%) has been expended; and
- Of the total 65 CDBG-R projects, we have processed final *Funding Requests* and closed out 56 (86%) of these activities.

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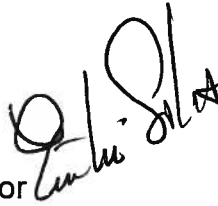
H:TGVARRAVARRA Status Report For CDBG-R (As of August 2012)

Housing Authority - County of Los Angeles

September 26, 2012

TO: Housing Commissioners

FROM: Emilio Salas, Deputy Executive Director



SUBJECT: STATUS OF THE COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY (CDBG-R) PROGRAM, FUNDED BY THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA)

As of September 14, 2012, \$8,012,639.34 (99.16%) of the \$8,080.527.14 grant amount budgeted has been expended.

All CDBG-R funded projects, except the Energy Efficient Single Family Rehabilitation Grant Program administered by the Community Development Commission's Economic and Housing Development Division (EHD), have closed. It is anticipated that EHD will spend the remaining undisbursed funds, totaling \$67,887.80, before their contract end date (September 30, 2012).

TG:AC:ec

K://TG/ARRA/ARRA Status Report For CDBG-R (As of September 2012)



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Commissioners

Sean Rogan
Executive Director

September 26, 2012

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
2 S Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE HEALTH PLANS
(ALL DISTRICTS)**

SUBJECT

This letter recommends approval of the Community Development Commission (Commission) employee health benefits for the 2013 calendar year. Housing Authority approval is required because Housing Authority funds will be used to pay the benefits for Commission employees working in Housing Authority programs.

The Commission and Housing Authority will realize savings and increased benefits by replacing Anthem Blue Cross of California with Health Net for group medical plans, replacing Delta Dental of California with CIGNA for dental plans, and replacing Anthem California with Guardian for life and disability insurance. The Commission will also replace Igoe Administrative Services (Igoe) and Employee Benefit Specialists (EBS) with Discovery Benefits for Flexible Spending Account (FSA), COBRA and retiree medical benefit administration.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners approve the combined payment, with the Community Development Commission, of the employer-paid medical subsidy for the 2013 calendar year to Health Net and Kaiser, at an estimated cost not to exceed \$500,000.
2. Recommend that the Board of Commissioners authorize the Housing Authority to fund all Calendar Year 2013 health plan costs using funds included in the approved Fiscal Year 2012-13 budget and funds to be approved through the annual budget process for Fiscal Year 2013-14, as needed.



3. Recommend that the Board of Commissioners find that approval of the employee health plans for the 2013 calendar year is not subject to the provisions of the California Environmental Quality Act (CEQA) because the activities are not defined as a project under CEQA.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTIONS

The purpose of the recommended action is to provide Commission employees affordable health care coverage that is comparable with plans offered to County employees for the 2013 calendar year. The current plans end on December 31, 2012. Housing Authority approval is required because Housing Authority funds will be used to pay the benefits for Commission employees working in Housing Authority programs.

FISCAL IMPACT/FINANCING

There is no fiscal impact to County General Fund. The expenses will be fully covered using Commission and Housing Authority funding.

Employees receive an employer contribution to assist with the purchase of medical, dental, vision, and life insurance benefits. Currently, employees covered by the Flexible Benefit Plan receive an employer contribution expressed as a percentage of salary, but not less than a minimum contribution of \$1063 per month. Employees covered by the Optional and Contract Benefit Plans receive \$805 and \$713 per month, respectively. On October 11, 2005, the Board delegated authority to the Executive Director to increase these contributions provided the amounts do not exceed the contributions for County of Los Angeles employees. The County contributions are currently at \$1,078 and \$809 under the MegaFlex and Flexible Benefit Plans, respectively.

The minimum contributions will not change for the 2013 calendar year. The total cost of the employer contributions is estimated at approximately \$7,000,000.

In an effort to help employees pay for medical insurance coverage, the Commission will continue to provide an employer-paid medical subsidy. This amount, projected at a cost not to exceed \$500,000, plus the amount contributed by each employee, will fund the premiums for medical insurance for the 2013 calendar year.

The current Fiscal Year 2012-2013 budgets of the Commission and Housing Authority include funds for the proposed health plan changes through June 30, 2013. The annual budget process for Fiscal Year 2013-2014 will include funding for the remainder of the calendar year costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Employees are currently provided with Anthem Blue Cross HMO, Anthem Blue Cross PPO, and Kaiser as employee medical plan options. During the months of July and August, the Commission evaluated these plans and the cost increases for 2013, with the assistance of the Commission's insurance broker, Alliant Insurance Services.

Negotiations with Anthem Blue Cross resulted in a premium increase of approximately 3.3% for the HMO and 14.2% for the PPO. Negotiations with Health Net resulted in a premium decrease of 9.3% for the HMO and a premium increase of 6.7% for the PPO, representing an average savings of 1.3% below the Commission's 2012 costs for the same plan offerings. Therefore, the Commission recommends replacing Anthem Blue Cross with Health Net.

After an initial requested increase of 3.3%, Kaiser ultimately agreed to provide the Commission with a rate pass for 2013.

The new monthly employee contribution for each medical plan is provided in Attachment A.

Employees are currently provided with a dental HMO and PPO option under Delta Dental of California. Negotiations with Delta resulted in a premium increase of approximately 3% for the HMO and a decrease of 0.8% for the DPPO. Negotiations with CIGNA resulted in a premium decrease of 19.5% for the HMO and a premium decrease of 4.6% for the PPO, representing an overall average savings of 12% below the Commission's 2012 costs. Therefore, the Commission recommends replacing Delta with CIGNA. As an added benefit, Commission employees will have an orthodontia option with both CIGNA plans.

Employees are currently provided with life and disability options under Anthem California. Negotiations with Anthem resulted in a rate pass (no increase) for the current Basic Life, Accidental Death and Dismemberment (AD&D), Short Term Disability (STD) and Long Term Disability (LTD) offerings. Negotiations with Guardian resulted in an average decrease of 27.9% for comparable and improved plan offerings, which include a three year rate guarantee on the basic and LTD plans and a two year rate guarantee on the STD plan. Therefore, the Commission recommends replacing Anthem with Guardian for life and disability insurance.

The Commission currently contracts with Igoe for administration of FSAs, and with EBS for administration of COBRA and retiree medical benefits. Neither of these third parties provides administrative services for all three products, which would offer the Commission improved efficiencies in business processing. The Commission recommends replacing Igoe and EBS with Discovery Benefits for FSA, COBRA, and retiree medical benefit administration.

The annual open enrollment period, which allows Commission employees to enroll in their health plans for 2013, will begin following the Board's approval. Commission employees must have at least a two week period to enroll so that the Commission may submit the new enrollment details to the health plan providers during the month of November. Any delays will prevent the Commission from meeting the enrollment deadlines and contractual agreements with the health plan providers which are due to expire on December 31, 2012.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act pursuant to Title 24 of the Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. The action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROGRAM

The recommended actions are consistent with the principle of promoting the well-being of Commission employees and their families by offering comprehensive employee benefits.

Respectfully submitted,



SEAN ROGAN
Executive Director

Enclosures

Attachment A
Monthly Employee Contribution for 2013*

Health Net HMO*

Employee Only	\$405.00
Employee + One	\$750.00
Family	\$1050.00

Health Net PPO*

Employee Only	\$750.00
Employee + One	\$1650.00
Family	\$2250.00

Kaiser*

Employee Only	\$456.00
Employee + One	\$854.00
Family	\$1125.00

* Reflective of the employee cost after the subsidy is applied to the actual plan cost.



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Executive Director

September 26, 2012

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 S Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**AWARD JOB ORDER CONTRACTS AND APPROVE A
CONSTRUCTION TASK CATALOG
(ALL DISTRICTS)**

SUBJECT

This letter recommends the award of two separate Job Order Contracts (JOCs) to provide maintenance, repair, refurbishment, rehabilitation, retrofit and other repetitive-type work at Housing Authority developments. The letter also recommends approval of the JOC Task Catalog, which includes the labor, equipment, material costs and specifications necessary for work under a JOC.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the award of the JOCs and adoption of the Construction Task Catalog are exempt from the provisions of the California Environmental Quality Act (CEQA), for the reasons stated in this letter and in the record of the project.
2. Recommend that the Board of Commissioners award and authorize the Executive Director or his designee to execute two separate JOCs, work orders and all related documents, including any amendments thereto; the first, with Torres Construction Corp., the lowest responsive and responsible bidder qualified as a Section 3 Business Concern; and the second, with Mackone Development, Inc., the lowest responsive and responsible bidder; each JOC is for an amount not to exceed \$4,200,000, to provide maintenance, repair, refurbishment, rehabilitation, retrofit and



other repetitive-type work for Housing Authority developments on an as-needed basis, using various program funds allocated by the U.S. Department of Housing and Urban Development (HUD).

3. Recommend that the Board of Commissioners adopt the March 2012 JOC Construction Task Catalog.
4. Recommend that the Board of Commissioners authorize the Executive Director or his designee, if necessary, to terminate either JOC or to terminate the Contractor's right to proceed with the performance of either JOC.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will find that the adoption of award of the JOCs and adoption of the JOC Construction Task Catalog are exempt from the California Environmental Quality Act (CEQA) and will augment the Housing Authority's ability to effectively and efficiently maintain and repair (including emergency repairs) its infrastructure and facilities.

The JOC program is a flexible, cost-effective, unit price, and indefinite quantity contracting method used to effectively and efficiently accomplish maintenance, repair, refurbishment, rehabilitation, retrofit and other repetitive-type work at Housing Authority developments without extensive plans and specifications. This process reduces administrative costs, and lowers direct construction costs while meeting all Federal, State, and County procurement requirements.

JOC programs have been successfully implemented by the Housing Authority, County's Internal Service Department, Department of Public Works and other local and federal agencies.

FISCAL IMPACT/FINANCING

There is no impact on County general funds.

The JOCs will be funded with a total of up to \$8,400,000 in public housing operating funds, non-conventional funds, CDBG funds and CFP funds allocated by HUD and included in the Housing Authority's approved Fiscal Year 2012-2013 budget. If needed, funds for the following year will be included in the Housing Authority's annual budget approval process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On January 4, 2011, the Board approved the award of a contract to the Gordian Group for consulting services to assist the Housing Authority with the development, implementation, and support of the JOC program. The Gordian Group prepared the JOC Construction Task Catalog, which includes the labor, equipment, material costs and specifications necessary for work under a JOC. The JOC Construction Task Catalog was updated in March 2012.

On May 31, 2011, the Board approved a JOC pilot program with MTM Construction, Inc. To evaluate the effectiveness of the JOC pilot program, Housing Authority staff compared the time and cost of implementing two current capital projects under the JOC and the traditional design, bid and build process and determined that there were substantial savings on staff time, consultant and construction costs. On January 10, 2012, the Board approved a second JOC with Harry H. Joh Construction, Inc., which is currently 80% expended. The Housing Authority is now seeking approval for two additional JOCs simultaneously to ensure that the contractors can manage time-sensitive projects expeditiously.

The program is being primarily federally funded, and is not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, the Contractor will comply with Section 3 of the Housing and Community Development Act of 1968 (12 U.S.C. 1701u) (Section 3), as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

ENVIRONMENTAL DOCUMENTATION

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(ii), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The recommended action is categorically exempt from CEQA. JOC provide facilities repairs, maintenance, retrofit and refurbishment services requested by Housing Authority, which are generally categorically exempt under Section 15301, Class 1 of the State CEQA Guidelines. The proposed projects are covered by the general rule that CEQA applies only to the projects that have the potential for causing a significant effect on the environment. The Board's approval of the JOCs does not include approval of work done pursuant to specific work orders. The implementation of each work order under the JOCs shall be subject to prior determination and documentation by the Housing Authority that the work is categorically exempt from CEQA. In the event the work is not exempt, the Board will be requested to approve the appropriate environmental finding and any applicable documentation pursuant to CEQA prior to implementation of work orders under the JOCs.

CONTRACTING PROCESS

Because the JOCs will be funded with public housing operating funds, non-conventional funds, CDBG funds and CFP funds allocated by HUD, the Housing Authority must abide by HUD regulations in the selection of the most qualified bidder. According to 24 Code of Federal Regulations Part 135, the Housing Authority is mandated to select the bidder that is currently a Section 3 Business Concern and whose bid is less than 3% more than that of the lowest responsive and responsible bidder. A bidder is considered a Section 3 Business Concern if at least 30% of its full-time employees are currently low- and very low-income persons, particularly persons who are recipients of HUD housing assistance.

With the assistance of the Gordian Group consultants, on March 26, 2012, the Housing Authority publicly advertised the invitation for bids for two separate and identical JOCs on an open competitive basis in accordance with applicable Federal, State, and County requirements, to identify contractors to complete work under the JOC program. Announcements were sent to 360 contractors identified from the Housing Authority vendor list. Advertisements also appeared in eight local newspapers and on the County and Housing Authority websites.

On April 24, 2012, seven bids were received and formally opened for the first JOC. The lowest bidder, Harry H. Joh Construction Inc., withdrew its bid due to a clerical error. The second lowest bidder, Angeles Contractor, Inc., submitted a responsive bid, but is not a qualified Section 3 Business Concern. The third lowest bidder, Torres Construction Corp., is a Section 3 Business Concern, and is therefore eligible to receive a bid preference. Additionally, Torres Construction Corp.'s bid is within the zone of consideration, as outlined in 24 CFR Part 135 and in the bid documents, because it is less than 3% more than the bid submitted by Angeles Contractor. Accordingly, the Housing Authority has determined Torres Construction Corp. to be the lowest responsive, responsive bidder qualified as a Section 3 Business Concern and is recommending them for the award of the first JOC award.

On April 24, 2012, eight bids were received and formally opened for the second JOC. The lowest bid, submitted by Mackone Development, Inc., was found to be responsive and responsible, and is also a Section 3 Business Concern. Accordingly, Mackone Development is recommended for the award of the second JOC .

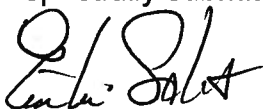
The Summary of the Outreach Activities is provided as Attachment A.

Honorable Board of Commissioners
September 26, 2012
Page 5

IMPACT ON CURRENT PROJECT

The award of the JOCs will expedite the completion of maintenance, repair, retrofit and refurbishment of housing developments and will allow the Housing Authority to continue to provide residents with decent, safe and sanitary living conditions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", written over the printed name.

for SEAN ROGAN
Executive Director

Enclosures

ATTACHMENT A

Summary of Outreach Activities Job Order Contract

On March 26, 2012, the following outreach was initiated to identify a contractor for the job order project.

A. Newspaper Advertising

Announcements appeared in the following local newspapers:

Dodge Construction News/Green sheet
LA Times
The Daily News
International Daily News
LA Opinion
L.A. Sentinel
Eastern Group Publications
Wave Community Newspapers

An announcement was also posted on the County and Housing Authority websites.

B. Distribution of Bid Packages: Torres Construction Corp. JOC

The Housing Authority's vendor list was used to email out Invitations for Bids to 360 contractors, of which 182 identified themselves as businesses owned by minorities or women (private firms which are 60 percent owned by minorities or women, or publicly-owned businesses in which 56 percent of the stock is owned by minorities or women). As a result of the outreach, 42 bid packages were requested by contractors.

Distribution of Bid Packages: Mackone Development, Inc. JOC

The Housing Authority's vendor list was used to email out Invitations for Bids to 360 contractors, of which 182 identified themselves as businesses owned by minorities or women (private firms which are 60 percent owned by minorities or women, or publicly-owned businesses in which 56 percent of the stock is owned by minorities or women). As a result of the outreach, 67 bid packages were requested by contractors.

C. Pre-Bid Conference and Site Walk

On April 9, 2012, a mandatory pre-bid conference was conducted for both JOCs. Fifteen firms were in attendance.

D. Bid Results

Torres Construction Corp. JOC

On April 24, 2012, a total of seven bids were received and publicly opened. The bid result was as follows:

<u>Company</u>	<u>Normal Working Hrs.</u>	<u>Other than Normal Working Hrs</u>	<u>Non pre-price</u>	<u>Composite Ratio</u>
Harry H. Joh Construction	0.5623	0.5624	1.0500	0.6111
Angeles Contractor, Inc.	0.5788	0.5789	1.0700	0.6280
Torres Construction Corp.	0.5800	0.6000	1.0500	0.6330
Mackone Development, Inc.	0.6200	0.6201	1.1000	0.6680
MTM Construction Inc.	0.6300	0.6301	1.0600	0.6730
AJ Fistes	0.5998	0.6978	1.0500	0.6742
Acon Development	0.8200	0.8200	1.1500	0.8530

Mackone Development, Inc. JOC

On April 24, 2012, a total of eight bids were received and publicly opened. The bid result was as follows:

<u>Company</u>	<u>Normal Working Hrs.</u>	<u>Other than Normal Working Hrs</u>	<u>Non pre-price</u>	<u>Composite Ratio</u>
Mackone Development, Inc.	0.5500	0.5501	1.1000	0.6050
Angeles Contractor, Inc.	0.5788	0.5789	1.0700	0.6280
Harry H. Joh Construction	0.5824	0.5825	1.0500	0.6292
Torres Construction Corp.	0.5800	0.6000	1.0500	0.6330
MTM Construction Inc.	0.6100	0.6101	1.0600	0.6550
Access Pacific	0.6197	0.6198	1.0500	0.6628
Acon Development	0.8200	0.8200	1.1500	0.8530
G2K Construction	0.9890	1.2800	1.0600	1.0834

Contractors provided Adjustment Factors which will be applied to items listed in the Construction Task Catalog (CTC) in order to determine the cost of jobs.

Torres Construction Corp.'s Adjustment Factor of 0.5800 indicates that Torres Construction Corp. will charge the Housing Authority 58.00% of the listed price for items in the CTC. The Non Pre-Price Adjustment Factor of 1.0500 indicates that for items not listed in the CTC, Torres Construction Corp. will charge the Housing Authority 105% of the total cost.

Mackone Development, Inc.'s Adjustment Factor of 0.5500 indicates that Mackone Development, Inc. will charge the Housing Authority 55.00% of the listed price for items in the CTC. The Non Pre-Price Adjustment Factor of 1.1000 indicates that for items not listed in the CTC, Mackone Development, Inc. will charge the Housing Authority 110% of the total cost.

Normal Working Hours are shifts during the period of 7:00 a.m. to 6:00 p.m. Monday through Friday, except for County of Los Angeles observed holidays. Other than Normal Working Hours are shifts not covered under Normal Working Hours. For the purposes of determining the low bid, the Normal Working Hours Adjustment Factor was multiplied by 0.60, the Other Than Normal Working Hours Adjustment Factor was multiplied by 0.30, and the Non Pre-Priced Adjustment Factor was multiplied by 0.10 (the range for the Non Pre-Priced is 1.0500 minimum and 1.2500 maximum). These three numbers were summed for a composite bid, and the lowest composite bid was considered the low bid.

Torres Construction Corp. JOC

E. Minority/Female Participation – Selected Contractor

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Torres Construction Corp.	Minority	Total: 57 36 Minorities 12 Women 63.15% Minorities 21.05% Women

F. Minority/Female Participation – Contractors Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Harry H. Joh Construction, Inc.	Minority	Total: 15 15 Minorities 2 Women 100.00% Minorities 13.33% Women
Angeles Contractor, Inc.	Minority	Total: 42 42 Minorities 8 Women 100.00% Minorities 19.05% Women
Mackone Development, Inc.	Minority	Total: 21 14 Minorities

4 Women
66.66% Minorities
19.05% Women

MTM Construction, Inc.	Minority	Total: 38
		36 Minorities
		7 Women
		94.74% Minorities
		18.42% Women

A.J. Fistes Corporation	Non-Minority	Total: 22
		16 Minorities
		3 Women
		72.72% Minorities
		13.63% Women

Acon Development, Inc.	Minority	Total: 6
		6 Minorities
		1 Women
		100.00% Minorities
		16.67% Women

Mackone Development Inc. JOC

E. Minority/Female Participation – Selected Contractor

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Mackone Development, Inc.	Minority	Total: 21
		14 Minorities
		4 Women
		66.67% Minorities
		19.05% Women

F. Minority/Female Participation – Contractors Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Angeles Contractor, Inc.	Minority	Total: 42

42 Minorities
8 Women
100.00% Minorities
19.05% Women

Harry H. Joh
Construction, Inc.

Minority

Total: 15

15 Minorities
2 Women
100.00% Minorities
13.33% Women

Torres Construction
Corp.

Minority

Total: 57

37 Minorities
11 Women
64.91% Minorities
19.30% Women

MTM Construction, Inc.

Minority

Total: 38

36 Minorities
7 Women
94.74% Minorities
18.42% Women

Access Pacific

Minority

Total: 6

6 Minorities
0 Women
100.00% Minorities
00.00% Women

Acon Development, Inc.

Minority

Total: 8

8 Minorities
1 Women
100.00% Minorities
12.50% Women

G2K Construction, Inc.

Minority

Total: 8

7 Minorities
4 Women
87.50% Minorities
50.00% Women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the JOC is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

ATTACHMENT B

Contract Summary

Project Name: Job Order Contracts
Location: County of Los Angeles
Bid Number: CDC12-016 (Torres Construction Corp.) and CDC12-017 (Mackone Development, Inc.)
Bid Date: March 26, 2012
Contractors: Torres Construction Corp. and Mackone Development, Inc.
Services: Authorizing the Housing Authority to award JOCs to Torres Construction Corp. and Mackone Development, Inc. to provide maintenance, repair, refurbishment, rehabilitation, retrofit and other repetitive-type work at various housing developments of the Housing Authority.

Contract Documents: Part A – Instructions to Bidders and General Conditions; Part B – Construction Task Catalog and Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, Other Statements of Bidder.

Time of Commencement and Completion: These are annual JOCs for repair, remodeling or other repetitive work to be done according to unit prices specified in individual Job Orders. The effective date of the JOCs shall be the date that the JOCs are fully executed. All job orders must be issued within one year from the effective date of the Contract. In the event that a Job Order has been timely issued within such one year period, but the work has not been completed within such period, the work may be completed thereafter, subject to all provisions of the JOCs.

Liquidated Damages: Should a Contractor fail to substantially complete the work specified in the Job Order in accordance with the approved construction schedule, and provided the Contractor has not previously obtained a written extension of time from the Contracting Officer according to the General conditions, a sum appropriate with the following schedule may be deducted from each succeeding request for payment as liquidated damages on each Work Order if applicable.

SCHEDULE FOR LIQUIDATED DAMAGES

Work Order Price	Liquidated Damages Per Day
Up to \$100,000	\$500
\$100,001 to \$500,000	\$750
Over \$500,000	\$1,000

JOC Value: The maximum dollar value for each JOC is \$4,200,000 and for a 12-month contractual period. There is a \$10,000 guaranteed minimum quantity or value of work to be ordered under these JOCs; and there is no minimum value for individual Job Orders issued under these JOCs.



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

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Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

September 26, 2012

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Commissioners:

**APPROVE AN AMENDMENT TO THE INDEMNIFICATION CLAUSE OF A
CONTRACT WITH TALX CORPORATION FOR ELECTRONIC EMPLOYMENT
VERIFICATION SERVICES FOR THE HOUSING CHOICE VOUCHER PROGRAM
(ALL DISTRICTS)**

SUBJECT

The Housing Authority is seeking to enter into a five-year contract with TALX Corporation for electronic employment verification services for the Housing Choice Voucher (Section 8) Program. TALX is the only qualified provider that can meet the needs of the Housing Authority and has requested the inclusion of a mutual indemnification provision. This letter requests approval of an amendment to the indemnification clause of the Housing Authority's contract with TALX.

IT IS RECOMMENDED THAT YOUR COMMISSION:

Recommend that the Board of Commissioners approve and authorize the inclusion of a mutual indemnification provision in the Housing Authority's contract with TALX Corporation, in the amount of \$60,000 per year, for electronic employment verification services for the Housing Choice Voucher Program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Housing Authority administers the Housing Choice Voucher (Section 8) Program, which provides rental assistance vouchers to qualified low- and moderate-income families. The U.S. Department of Housing and Urban Development (HUD) regulations set forth in Title 24 Code of Federal Regulations, §§5.240(c), 5.210, and 982.551(b),



require housing authorities to verify factors of eligibility for Section 8 program applicants and participants. The Housing Authority's verification requirements are designed to maintain program integrity.

Since 2006, TALX has provided electronic employment verification services for the Housing Authority. Prior to utilizing TALX's services, the Housing Authority sent letters to employers requesting completion and return of employment verifications forms for its Section 8 applicants and participants. This process generally took *at least* seven days; however, employers were often unresponsive and/or several attempts were required before the information provided by the client could be verified.

TALX's service has allowed the Housing Authority to significantly reduce the time required to verify employment information. The primary reason for this significant reduction is that TALX is the only on-line employment verification service that obtains information directly from employers, reducing errors and instances of fraud, and overall program costs.

The Housing Authority has attempted to identify other providers that provide the necessary electronic employment verification services. Recently, on August 22, 2012 the Housing Authority conducted a Request for Quotes (RFQ) to determine if price and performance competition were available. TALX was the only firm to respond to the RFQ by the August 30, 2012 deadline. The Housing Authority has determined that price and performance competition do not exist. TALX is the only electronic employment verification service that receives employment records directly from employers. TALX contains approximately 190 million records; all records are updated directly from employers' payroll records each pay period.

The Housing Authority is seeking to enter into a five-year contract with TALX for electronic employment verification services. TALX had previously provided this service for the Housing Authority pursuant to the Housing Authority standard contract that included an indemnification clause. However, while it was previously an independent company, TALX is now a subsidiary of Equifax. As a consequence of the change in corporate organization, TALX will no longer agree to execute the Housing Authority's standard contract unless the indemnification clause is amended to include mutual indemnification language.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Housing Authority will fund the contract with up to \$60,000 per year in Section 8 administrative funds included in the Housing Authority's annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Executive Director is generally authorized to execute a contract for services in an amount not exceeding \$100,000. However, the approval of the Board is required to amend the indemnification provision.

Because of the unique nature of the service and its critical importance to maintaining program integrity, the Housing Authority is willing to execute the contract with a mutual indemnification clause in this specific case. The potential exposure to the Housing Authority is minimal. TALX provides an on-line verification service that confirms client-provided information. In the event of information discrepancies, clients will be provided the opportunity to clarify any discrepancy. Additionally, standard insurance requirements are enforced, providing for coverage afforded by General, Professional, and Workers' Compensation insurance.

Additionally, the Housing Authority's Risk Management department and County Counsel have been intimately involved with the details surrounding this request. They have jointly agreed that approving the amendment to the mutual indemnification clause will not expose the Housing Authority to unnecessary risk.

ENVIRONMENTAL DOCUMENTATION

This activity is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because it involves administrative activity that will not have a physical impact on or result in any physical changes to the environment. The activity is also not subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROGRAM

TALX provides the most expansive and up-to-date employment records. Utilization of the TALX database will maintain compliance with HUD regulations, aid in the prevention of fraud, and maintain program integrity.

Respectfully submitted,



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SEAN ROGAN
Executive Director